

BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

IN THE MATTER OF ENFORCEMENT)	PDC CASE NO: 04-420
ACTION AGAINST)	
)	Notice of Administrative
Washington State Nurses Association PAC)	Charges
)	
Respondent.)	

IT IS ALLEGED as follows:

I.
JURISDICTION

Jurisdiction of this proceeding is based on Chapter 42.17 RCW, the Public Disclosure Act, Chapter 34.05, Administrative Procedure Act, and Title 390 WAC.

II.
LAW

RCW 42.17.020(33) states "Political committee means any person (except a candidate or an individual dealing with his or her own funds or property) having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition."

RCW 42.17.080(2) states, in part: "At the following intervals each treasurer shall file with the commission and the county auditor or elections officer of the county in which the candidate resides, or in the case of a political committee, the county in which the committee maintains its office or headquarters...a report containing the information required by RCW 42.17.090: (a) On the twenty-first day and the seventh day immediately preceding the date on which the election is held; and (b) On the tenth day of the first month after the election...and (c) On the tenth day of

each month in which no other reports are required to be filed under this section: PROVIDED, That such report shall only be filed if the committee has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total expenditures made since the last such report exceed two hundred dollars.”

RCW 42.17.080(3) states: “For the period beginning the first day of the fourth month preceding the date on which the special or general election is held and ending on the date of that election, each Friday 1 the treasurer shall file with the commission and the appropriate county elections officer a report of each bank deposit made during the previous seven calendar days. The report shall contain the name of each person contributing the funds so deposited and the amount contributed by each person. However, contributions of no more than twenty-five dollars in the aggregate from any one person may be deposited without identifying the contributor. A copy of the report shall be retained by the treasurer for his or her records. In the event of deposits made by a deputy treasurer, the copy shall be forwarded to the treasurer for his or her records. Each report shall be certified as correct by the treasurer or deputy treasurer making the deposit.”

RCW 42.17.090(1) states, in part: “Each report required under RCW 42.17.080(1) and (2) shall disclose the following: (a) The funds on hand at the beginning of the period; (b) The name and address of each person who has made one or more contributions during the period, together with the money value and date of such contributions and the aggregate value of all contributions received from each such person during the campaign or in the case of a continuing political committee, the current calendar year... (d) All other contributions not otherwise listed or exempted ... and (f) The name and address of each person to whom an expenditure was made in the aggregate amount of more than fifty dollars during the period covered by this report, and the amount, date, and purpose of each such expenditure...”

1 A 2002 legislative amendment to RCW 42.17.030(3) changed the weekly C-3 filing deadline from Friday to Monday as of July 1, 2002.

RCW 42.17.103 requires the sponsor of political advertising who, within twenty-one days of an election, publishes, mails, or otherwise presents to the public political advertising supporting or opposing a candidate or ballot proposition that qualifies as an independent expenditure with a fair market value of \$1,000 or more, to submit a special report to the commission within twenty-four hours of the date the advertising is first published, mailed, or otherwise presented to the public.

III. FACTS

1. These charges incorporate the Report of Investigation and all of its exhibits by reference. The Respondent, the Washington State Nurses Association PAC (WSNA PAC) is the political committee of the Washington State Nurses Association, a Seattle, Washington based association of nurses.
2. Public Disclosure Commission (PDC) staff received a telephone call in October 2003 inquiring about why WSNA PAC reports were not available on-line through the PDC's website. PDC staff contacted the Washington State Nurses Association (WSNA) to discuss the apparent lapse in reporting. WSNA staff and legal counsel met with PDC staff on December 12, 2003 and confirmed that WSNA PAC had failed to timely file contribution and expenditure reports since at least 1999.
3. On January 16, 2004, PDC Executive Director Vicki Rippie filed a complaint alleging that the WSNA PAC had violated RCW 42.17.080 and 42.17.090 by failing to timely file reports of contributions and expenditures during calendar years 1999, 2000, 2001, 2002, and 2003.
4. Judith Huntington, Executive Director of the WSNA, stated that staff transitions resulted in a *"failure to communicate clearly who held the responsibility for generating and then submitting the reports ... Governmental Affairs [staff] thought the bookkeeper was filing the PDC reports ... the bookkeeper did file L-3 reports with the PDC, so when periodically queried as to whether the PDC reports had been filed, the bookkeeper*

responded in the affirmative, not realizing that the C-3 and C-4 reports should have been filed as well." Ms. Huntington stated that the WSNA PAC has established internal procedures to insure that future reports are timely filed.

5. Following is a chart showing the monetary contributions and other receipts, monetary expenditures, in-kind contributions and expenditures, and contributions made by the WSNA PAC to candidates, along with one independent expenditure, for calendar years 1999, 2000, 2001, 2002 and 2003. The missing reports, including a special report of Independent Expenditures (PDC form C-6), were filed on February 17, 2004, covering the period January 1, 1999 through December 31, 2003. The reports were filed from one month to five years late.

Year	Monetary Contributions & Other Receipts	Monetary Expenditures	In-Kind Contributions & Expenditures*	Contributions Made to Candidates & Indep. Expend.
1999	\$ 9,874	\$ 8,082	\$10,773	\$ 0
2000	13,129	11,470	5,935	5,400
2001	11,263	4,118	9,946	250
2002	10,381	11,640	7,157	5,890
2003	13,360	6,470	8,822	625
TOTAL	\$58,006	\$41,781	\$42,632	\$12,165

6. During the period January 1, 1999 through January 31, 2004, the WSNA PAC received monetary contributions totaling \$58,006 and made monetary expenditures totaling \$41,781. In addition, in-kind contributions and expenditures, resulting from WSNA staff support to the WSNA PAC, totaled \$42,632. The expenditures included \$12,165 in contributions made to candidates, and one independent expenditure benefiting a candidate.

Calendar Year 1999

7. For calendar year 1999, the WSNA PAC received monetary and in-kind contributions totaling \$20,647, and made monetary and in-kind expenditures totaling \$18,855. WSNA

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staff time valued at \$10,773 is included in the contribution and expenditure totals.

WSNA PAC made no political contributions in calendar year 1999. The C-3 and C-4 reports disclosing contribution and expenditure information for 1999 were filed on February 17, 2004, more than four years late. During calendar year 1999, the WSNA PAC failed to timely file six C-4 reports and 10 C-3 reports.

Calendar Year 2000

8. For calendar year 2000, the WSNA PAC received monetary and in-kind contributions totaling \$19,064, and made monetary and in-kind expenditures totaling \$17,405. WSNA staff time valued at \$5,935 is included in the contribution and expenditure totals. WSNA PAC made political contributions totaling \$5,400 in calendar year 2000. The C-3 and C-4 reports disclosing contribution and expenditure information for 2000 were filed on February 17, 2004, more than three years late. During calendar year 2000, the WSNA PAC failed to timely file eight C-4 reports and five C-3 reports.

Calendar Year 2001

9. For calendar year 2001, the WSNA PAC received monetary and in-kind contributions totaling \$21,209, and made monetary and in-kind expenditures totaling \$14,064. WSNA staff time valued at \$9,946 is included in the contribution and expenditure totals. WSNA PAC made political contributions totaling \$250 in calendar year 2001. The C-3 and C-4 reports disclosing contribution and expenditure information for 2001 were filed on February 17, 2004, more than two years late. During calendar year 2001, the WSNA PAC failed to timely file six C-4 reports and four C-3 reports.

Calendar Year 2002

10. For calendar year 2002, the WSNA PAC received monetary and in-kind contributions totaling \$17,538, and made monetary and in-kind expenditures totaling \$18,797. WSNA staff time valued at \$7,157 is included in the contribution and expenditure totals. WSNA PAC made political contributions totaling \$3,300 and one independent expenditure for

\$2,590 supporting a candidate in calendar year 2002. The C-3 and C-4 reports disclosing contribution and expenditure information for 2002 were filed on February 17, 2004, more than one year late. The special report (PDC form C-6) for the independent expenditure was also filed February 17, 2004, 15 months late. During calendar year 2002, the WSNA PAC failed to timely file ten C-4 reports, nine C-3 reports, and one special report (C-6).

Calendar Year 2003 (January 1 – October 27, 2003)

11. For calendar year 2003, the WSNA PAC received monetary and in-kind contributions totaling \$22,182, and made monetary and in-kind expenditures totaling \$15,292. WSNA staff time valued at \$8,822 is included in the contribution and expenditure totals. WSNA PAC made political contributions totaling \$625 in calendar year 2003. The C-3 and C-4 reports disclosing contribution and expenditure information for 2003 were filed on February 17, 2004, from one month to one year late. During calendar year 2003, the WSNA PAC failed to timely file four C-4 reports and nine C-3 reports.

**IV.
CONCLUSION**

The WSNA PAC was a political committee registered with the PDC during 1999, 2000, 2001, 2002 and 2003. The WSNA PAC failed to timely file detailed Monetary Contribution Reports (PDC form C-3) as required by RCW 42.17.080 and 42.17.090 during the period January 1, 1999 through December 31, 2003 for contributions and other receipts totaling \$58,006. The C-3 reports were due in the month following receipt when contributions received or expenditures made exceeded \$200, and weekly during the four months preceding the 2000 and 2002 elections.

The WSNA PAC failed to timely file Summary Contribution and Expenditure Reports (PDC form C-4) as required by RCW 42.17.080 and 42.17.090 during the period January 1, 1999 through December 31, 2003, for monetary contributions received totaling \$58,006 and monetary expenditures made totaling \$41,781. In addition, in-kind contributions and expenditures totaling \$42,632 were not timely reported. Of the monetary expenditures, \$12,165 was for contributions

to candidates and one independent expenditure supporting a candidate, all reportable under RCW 42.17.080 and 42.17.090 on PDC form C-4. The C-4 reports were due monthly except for special C-4 reports that were due 21 and 7 days before the 2000 and 2002 elections.

The WSNA PAC failed to timely file a special report to the commission (PDC form C-6) within 24 hours of sponsoring political advertising that was distributed within 21 days of the 2002 general election, as required by RCW 42.17.103. The special report was due by October 26, 2002, but was not filed until February 17, 2004, 15 months late.

Staff alleges, based on the facts specified in Section III, that the WSNA PAC violated RCW 42.17.080 and 42.17.090 on multiple occasions:

- by failing to timely file Monetary Contribution reports (PDC form C-3) for contributions received between January 1, 1999 and December 31, 2003 totaling \$58,006; and
- by failing to timely file Summary Contribution and Expenditure Reports (PDC form C-4) disclosing monetary and in-kind contributions received totaling \$100,638 and monetary and in-kind expenditures made totaling \$84,413, between January 1, 1999 and December 31, 2003, including expenditures for contributions and one independent expenditure totaling \$12,165 benefiting candidates.

Staff alleges, based on the facts specified in Section III, that the WSNA PAC violated RCW 42.17.103 by failing to timely file a special report to the commission (PDC form C-6) within 24 hours of sponsoring political advertising that was distributed within 21 days of the 2002 general election.

RESPECTFULLY SUBMITTED this 12th day of March, 2004.

Philip E. Stutzman
Director of Compliance